

EXHIBIT I-A

RECORD KEEPING REQUIREMENTS

NATIONAL OBJECTIVES

A full description of each activity carried out (or being carried out) in whole or in part with CDBG funds, including the nature and purpose of the activity, its location (if the activity has a geographical location) and the amount of CDBG funds budgeted, obligated and expended for the activity.

Records demonstrating that each activity undertaken meets one of the national objectives (benefit to low and moderate income persons, prevention or elimination of slums or blight, and other urgent needs). At a minimum, such records shall include the following information:

Benefit to Low and Moderate Income Persons:

For each activity determined to benefit low and moderate income persons **BASED ON THE AREA SERVED BY THE ACTIVITY:**

- the boundaries of the service area; and
- the income and ethnic characteristics of households and unrelated individuals in the service area.

NEW DATA COLLECTION REQUIREMENTS

Beginning January 1, 2003, grantees will be required to report under a new beneficiary information format. **Applicants for federal programs are not mandated to report race and ethnic information. Grantee's can only request families complete the information on a voluntary basis.** Families will be allowed to choose a combination of race categories, four of the most frequently selected multiple race categories will be listed. Those who do not fit within the four most frequently selected multiple race categories will choose the last option. Also note that the option of choosing "N/A" is not longer available. The following should provide clarity to the new data collection requirements. Changes are in italic print:

ETHNIC CATEGORIES

PRIOR ETHNIC CATEGORIES	REVISED ETHNIC CATEGORIES
Hispanic Origin	Hispanic <i>or Latino</i> – a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term, "Spanish Origin," can be used in addition to "Hispanic or Latino."
Not of Hispanic Origin	Not Hispanic <i>or Latino</i> – a person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

RACE CATEGORIES

PRIOR RACE CATEGORIES	REVISED RACE CATEGORIES
American Indian or Alaskan Native	American Indian or <i>Alaska</i> Native
Asian or Pacific Islander	Asian
Black	Black <i>or African American</i>
White	White
N/A	<i>Native Hawaiian</i> or Other Pacific Islander
	Multiple Race Categories
	<i>American Indian or Alaska Native and White</i>
	<i>Asian and White</i>

	<i>Black or African American and White</i>
	<i>American Indian or Alaska Native and Black or African American</i>
	<i>Individuals reporting more than one race not listed in the four multiple race categories above.</i>

PROPOSED COLLECTION METHOD

The following table is a proposed method of how your agency can collect information to comply with the revised standards. Information from all applicants should be recorded in the second column and data from actual beneficiaries in the third column. **Note, Hispanic or Latino is not a race, it is an ethnicity, and reporting families are either Hispanic or not Hispanic, therefore the Ethnic Category should always equal the Race Category.**

EXAMPLE

A family of 5 applies for assistance. The mother is white and the father is black. Two of the children are multi-racial and one is white. The mother is Latino and considers her three children to be of Latino ethnicity. The following is how the family may choose to be listed on their application. In reviewing the family income, it is found they do not qualify for the program, so they are not listed as beneficiaries for reporting purposes.

ETHNIC CATEGORIES	NUMBER OF PERSONS APPLYING	ACTUAL BENEFICIARIES
Hispanic or Latino	4	
Not Hispanic or Latino	1	
TOTAL	5	

RACE CATEGORIES	NUMBER OF PERSONS APPLYING	ACTUAL BENEFICIARIES
American Indian or Alaska Native		
Asian		
Black or African American	1	
White	2	
Native Hawaiian or Other Pacific Islander		
MULTIPLE RACE CATEGORIES		
American Indian or Alaska Native and White		
Asian and White		
Black or African American and White	2	
American Indian or Alaska Native and Black or African American		
Individuals reporting more than one race not listed in the four multiple race categories above.		
TOTAL	5	

For each activity (including single-family rehabilitation) determined to benefit low and moderate income persons **BASED ON THE INCOMES OF THE HOUSEHOLDS DIRECTLY BENEFITING FROM THE ACTIVITY WHERE THE ACTIVITY INVOLVED THE SUBMISSION OF AN APPLICATION OR THE COMPLETION OF A PERSONAL RECORD:**

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- the size of each household receiving benefit; and
- the income of each such household.

For each activity determined to benefit low and moderate income persons BECAUSE THE ACTIVITY INVOLVES A FACILITY OR SERVICE DESIGNED FOR USE PREDOMINANTLY BY LOW AND MODERATE INCOME PERSONS, documentation demonstrating that the predominant users are low and moderate income persons.

For each RENTAL REHABILITATION OR NEW CONSTRUCTION ACTIVITY determined to benefit low and moderate income persons:

- the local definition of "affordable to low and moderate income household";
- the rent charged (or to be charged) after rehabilitation or construction for each dwelling unit in each structure rehabilitated or built; and
- the total number of dwelling units in each structure rehabilitated or constructed and the percent of units in each structure which are occupied by low and moderate income households.

For each activity determined to benefit low and moderate income persons BASED ON JOBS TO BE CREATED FOR OR RETAINED BY LOW AND MODERATE INCOME PERSONS:

- a listing, by job title, race, ethnicity, handicapped status, gender, and head of household for the permanent jobs actually created/retained and those initially taken by/held low and moderate income persons;
- a description of how the low and moderate income status of those persons hired was determined (low and moderate income surveys);
- a description of how the total number of jobs created/retained was determined, including the definition of full time equivalent and conversion of part-time employees to full time equivalents; and
- any other evidence that a majority of jobs will be filled by low or moderate income persons, such as:
- accessibility of the jobs to areas where substantial numbers of low and moderate income persons reside; and
- any special outreach and/or training to be offered for jobs to be created.

See SECTION VIII: Economic Development for additional guidance.

Prevention or Elimination of Slums or Blight:

For each activity determined to aid in the prevention or elimination of slums or blight BASED ON ADDRESSING ONE OR MORE OF THE CONDITIONS WHICH QUALIFIES AN AREA AS A SLUM OR BLIGHTED AREA:

- the area meets a definition of a slum, blighted, deteriorated or deteriorating area under state or local law;
- there are a substantial number of deteriorated or deteriorating buildings throughout the area;

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the boundaries of the area and description of the conditions which qualified the area at the time of its designation in sufficient detail to demonstrate that the area was, in fact, a slum or blighted area; and

- the assisted activity is designed to address one or more of the conditions which contributed to the determination of the area.

In addition to the above, for each RESIDENTIAL REHABILITATION ACTIVITY determined to aid in the prevention or elimination of slums or blight, IN A SLUM OR BLIGHTED AREA:

- the local definition of "substandard";
- a pre-rehabilitation inspection report describing the deficiencies in each structure to be rehabilitated; and,
- details and scope of CDBG-assisted rehabilitation, by structure.

For each activity determined to aid in the prevention or elimination of slums or blight BASED ON THE ELIMINATION OF SPECIFIC CONDITIONS OF BLIGHT OR PHYSICAL DECAY NOT LOCATED IN A SLUM OR BLIGHTED AREA:

- a description of the specific condition of blight or physical decay treated; and
- for rehabilitation carried out under this category, a description of the specific conditions detrimental to public health and safety which were corrected.

Other Urgent Needs:

For each activity determined to meet a community development need, having a particular urgency:

- the nature and degree of seriousness of the condition requiring assistance;
- evidence that the recipient certified that the CDBG activity was designed to address the urgent need;
- information on the timing of the development of the serious condition; and
- evidence confirming that other financial resources to alleviate the needs were not available.

ELIGIBLE ACTIVITIES

- A full description of each activity being carried out in whole or in part with CDBG funds.
- A description of the nature and purpose of the activity.
- The location of the activity (if the activity has a location focus).
- The amount budgeted for each activity.
- The amount obligated and expended for each activity.
- Records which demonstrate that the recipient has made the determinations required as a condition for eligibility of certain activities.
- Records which demonstrate that the use of property acquired or improved with CDBG assistance has not changed.

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CERTIFICATIONS

Evidence that the recipient identified its community development and housing needs, including the needs of low and moderate income persons, and the activities to be undertaken to meet such needs.

Evidence that the recipient has and is following a detailed citizen participation plan which:

- Provides for and encourages citizen participation with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which Community Development Block Grant (CDBG) funds are proposed to be used;
- Provides citizens with reasonable and timely access to local meetings, information, and records relating to its proposed and actual use of CDBG funds including program income;
- Provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the applicant;
- Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;
- Provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and
- Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.
- Evidence that the recipient has furnished citizens with information on:
 - the amount of funds available for proposed community development and housing activities;
 - the range of activities that may be undertaken;
 - the estimated amount proposed for activities that will benefit low and moderate income persons;
 - plans for minimizing displacement as a result of CDBG assisted activities, and to assist persons actually displaced.
- Published a proposed statement in such a manner as to afford an opportunity for the contents to be examined, and comments to be submitted on the proposed statement and on the recipient's community development performance.
- Held one or more public hearings to obtain the views of citizens on community development and housing needs.
- Demonstrated reasonable access to records regarding the past use of CDBG funds.
- Provided reasonable notice of, and an opportunity to comment on, any substantial change proposed in the use of funds.

Evidence that the recipient has not attempted to recover any capital costs of public improvements, assisted in whole or in part with CDBG funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, except when the recipient has certified that it lacks sufficient CDBG funds to pay such assessments for moderate income persons.